



National Electrical Manufacturers Association

The Association of Electrical Equipment
and Medical Imaging Manufacturers
www.nema.org

July 25, 2013

Honorable Max Baucus, Chairman
Honorable Orrin G. Hatch, Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Dear Chairman Baucus and Ranking Member Hatch:

As the Finance Committee prepares for a tax reform markup this fall, and in follow-up to our letter of April 15, 2013, I have attached legislative language for the **technology-neutral energy efficiency tax incentives** developed by and on behalf of the more than 400 member companies of NEMA.

The NEMA tax proposal **meets each of the three criteria** established by the Finance Committee:

1. The energy efficiency tax incentives would **grow the economy** by boosting the manufacturing of energy efficient technologies, employing workers to install the technologies, and making American industries more competitive by reducing energy consumption and production costs.
2. The NEMA proposal would **make the tax code fairer** because it is “technology-neutral,” that is, it rewards energy efficiency without dictating the deployment of specific technologies or systems.
3. The proposal would **promote the important national policy objective of energy efficiency**. The U.S. currently wastes more energy than it consumes. Greater energy efficiency will boost economic productivity and competitiveness, enhance U.S. energy security, mitigate outages and reduce emissions.

On November 9, 2012 the NEMA Board of Governors adopted a policy supporting corporate tax reform and a system that is “predictable, efficient and has rates that are comparable to those of other advanced economies” – achieving this by broadening the tax base and lowering the corporate income tax rate. If your Committee deems it appropriate to retain a limited number of simplified, high priority incentives, we offer our energy efficiency proposal for consideration.

The 400-plus member companies of NEMA, with domestic production and exports of more than \$140 billion, are leading the way on high tech solutions to achieve greater energy efficiency. If you have questions about our tax reform submission, please contact Chuck Konigsberg, Vice President, Strategy and Policy, or Kyle Pitsor, Vice President, Government Relations at (703) 841-3200.

Respectfully,

A handwritten signature in black ink, appearing to read 'Evan R. Gaddis', is written over a light blue horizontal line.

Evan R. Gaddis
President and CEO

Attachments: Legislative Language and Summary

cc: Chairman Dave Camp and Rep. Sander Levin